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Economic Research Service

U.S. Department of Agriculture
Washington, DC

Volume 3, Number 5
September/October 1985

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A Bimonthly Newsletter for Economic Research Service Employees and Colleagues

AAEA PARTICIPATION

At the annual meeting of the American Agricultural Economics Association (AAEA) in Ames, Iowa, August 4-7, ERS staff participated as follows:

Authors:
Mary Ahearn (2 papers), Joyce Allen (2 papers), Kenneth Baum (2 papers), Nelson Bills, Robert Bohall, Clark Burbee (2 papers), Edward Cook, Bradley Crowder, Mark Denbaly, Praveen Dixit, William Edmondson, Joseph Glauber (2 papers), Cole Gustafson, Gregory Hanson (2 papers), David Harrington, Linwood Hoffman, Wen-yuan Huang, James Johnson (3 papers), Anthony Joseph (2 papers), Chong Kim, William Lin, Karen Liu (2 papers), Masao Matsumoto, Douglas Maxwell, Lester Myers, Clayton Ogg, Nicholas Powers, Richard Prescott, Katherine Reichelderfer, Marc Ribaudo (2 papers), Tanya Roberts, Vernon Roningen, James Ryan, Priscilla Salant, Neill Schaller, Gerald Schluter, Agapi Somwaru, Roger Strickland, Theresa Sun, David Trechter, Alan Webb, Michael Weiss, Edwin Young, and James Zellner.

Chairpersons:
Elaine Grigsby, Cathy Jabara, James Johnson, John Lee, Linda Lee, Lyle Schertz, Alan Webb, Shwu-eng Webb, Edwin Young, and James Zellner.

Symposia Organizers:
Mary Ahearn, Joyce Allen, Elaine Grigsby, Rosanna Morrison, Clayton Ogg, Edward Reinsel, Marc Ribaudo, and Edwin Young.

[Continued on page 11.]

AGRICULTURE IN THE 21ST CENTURY

The American Agricultural Economics Association's (AAEA) Committee on Issues and Priorities (chaired by Farm Foundation Managing Director James Hildreth), the AAEA Board of Directors, and USDA's Cooperative State Research Service and Economic Research Service sponsored a conference on **Agriculture and Rural Areas Approaching the Twenty-First Century: Challenges for Agricultural Economics** at Ames, Iowa, August 7-9, 1985.

The conference featured 12 topic papers, formal discussants, and discussion groups per topic. ERS participation included:

Papers:
Approaching the 21st Century: Lessons from History, Wayne Rasmussen.
Synthesis, Priorities, and Implications for Action: Research Issues, Preston LaFerney (University of Arkansas) and John Lee.

Chairpersons:
Kenneth Clayton, Kenneth Deavers, Fred Hines, Lyle Schertz, Leslie Whitener, and James Zellner.

Discussants:
Thomas Hady and James Johnson.

Rapporteurs:
Thomas Hady and James Johnson. ■

Inside . . .

UPCOMING PROFESSIONAL MEETINGS

Sept. 16-17 Agricultural Economics Reference Organization annual meeting, St. Paul, MN.

Sept. 30-Oct. 2 Agricultural Research Institute annual meeting, Arlington, VA.

Oct. 1-2 Symposium on **Economic Efficiency in Agricultural and Food Marketing,** sponsored by the Farm Foundation and USDA's Agricultural Marketing Service and Economic Research Service, Washington, DC.

Oct. 9-10 Symposium on **Agricultural Change: Consequences for Southern Farms and Rural Communities,** sponsored by CSRS Regional Research Technical Committee, Atlanta, GA.

RELOCATION UPDATE

ERS's move to 1301 New York Avenue is complete (except for the agency's computer room). The new 12-story red brick building is located on the northwest corner of 13th and H Streets, NW--3 blocks from the White House and 2 blocks from the Washington Convention Center. ERS colleagues are encouraged to visit the new headquarters, which is easily accessible from the McPherson Square or Metro Center subway stops.

Parking is available in the building for $2.50 for the first hour, $3.75 for 1-2 hours, and $5.50 for 3 hours or more per day. The parking garage can only be entered by going west on H Street from 13th Street and turning right into the driveway immediately beyond ERS's building. It is a self-parking system; take any empty space that is not marked reserved.

Telephone locator service is available by calling the following division numbers:

Agriculture and Rural Economics	786-1530
Data Services Center	786-1761
International Economics	786-1700
National Economics	786-1870
Natural Resource Economics	786-1455
Office of the Administrator	786-3300
EMS Information Division	786-1504

NOTICE TO ERS COLLEAGUES

To receive your own copy of this free newsletter or to change your address, send your name, institutional affiliation, and address to ERS Newsletter, ERS/USDA, Room 1212, 1301 New York Ave., NW, Washington, DC, 20005-4788, or call 202-786-3310.

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Kenneth Krupa (786-1422), Natural Resource Economics
Kathryn Lipton (786-1880), National Economics
Lindsay Mann (786-1512), Information, EMS
Paul Myers (786-1549), Agriculture and Rural Economics

Photo by Carolyn Riley

ADMINISTRATOR'S LETTER

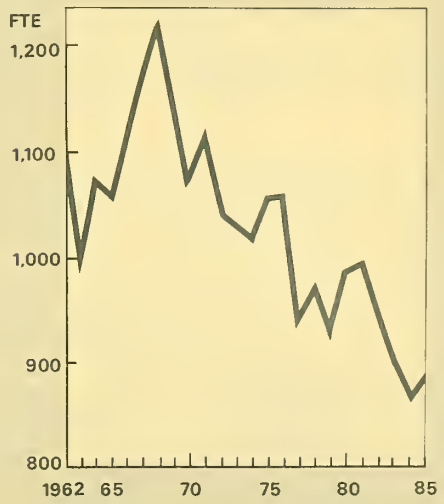
The end of September marks the close of my fourth year in this office. The job has been exciting, challenging, rewarding, and sometimes frustrating. The period has been characterized by major constraints on Federal budgets and major stress in American agriculture. We have tried to be responsive to both the need to hold the line on budget increases and to the needs of the farm and rural sectors and their policymakers.

The graphics which follow show what has happened to our employment and budget since ERS was re-established in 1961. The numbers are adjusted for changes in organization and functions over the past 24 years. Most of the recent nominal budget increases have been for data collection (land values, natural resource economic data, and restoration of the inflation-reduced sample size of the costs and returns survey).

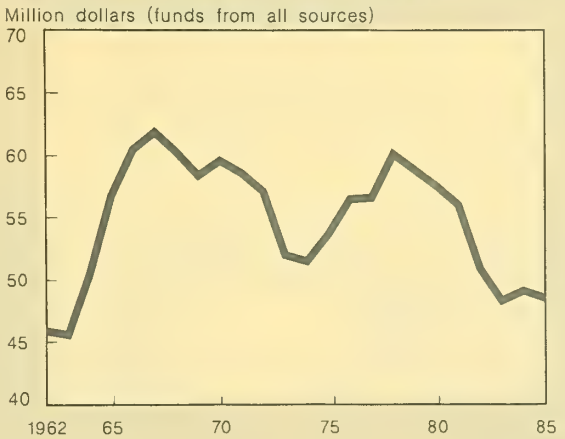
Funds for staff have gradually declined. Our employment ceiling has been set at 902 for fiscal year 1986, down from 942 in 1984 and 920 in 1985. From this ceiling we provide about 125 positions to the Economics Management Staff (EMS), Economic Analysis Staff (EAS), and the Office of Energy (OE); leaving about 775 staff-years for ERS. The decline in staff has come at a time of increasing demand for policy analysis, current intelligence, and staff work on a broadening array of issues. One obvious result has been a decline in the number of staff doing research.

To make more effective use of our limited staff, we have intensified efforts to redirect resources to our highest priorities and to improve our overall efficiency and productivity. Some examples of redirection include increases in macroeconomics (domestic and international), farm finance, tax policy, trade policy, and country and regional analyses. Those redirections have come at the

ECONOMIC RESEARCH SERVICE
STAFF-YEAR HISTORY



Economic Research Service Budget
History in Constant 1985 Dollars



[Continued on page 10.]

PANEL REVIEWS STATISTICAL AND ECONOMIC REPORTING PROCEDURES

A blue ribbon panel to review the statistical and economic reporting procedures of USDA has made its recommendations public. They were recently published in **USDA Economic and Statistics Review Panel, Report to Secretary of Agriculture John R. Block.**

The report contains 48 recommendations covering the following areas:

- The relationship of USDA with data suppliers and users;
- The frequency, timing, and content of reports;
- Foreign estimates;
- Demand analysis and longrun projections;
- Economic indicators;
- SRS research programs;
- Quality control;
- Personnel issues; and
- Future data acquisition and analysis.

Here are some of the panel's recommendations:

- Establish a formal advisory committee and provide a formal education program to improve communication and understanding of SRS and ERS procedures with data providers and users.
- Conduct and regularly publish more research and analyses concerning the longrun prospects for U.S. and world agriculture.
- Expand data collection and research to better measure the domestic and foreign demand for U.S. food and agricultural products.
- Change the frequency, timing, and content of reports in order to maintain the credibility of outlook programs.
- Strengthen the role of providing an objective data base and maintaining equity in competition for market participants in agriculture by expanding research, development, and the reporting of farm sector and subsector financial economic indicators.
- Form a special task force to investigate the possibility of consolidating commodity analysis and outlook to avoid duplication across USDA agencies.
- Continue to strengthen efforts to anticipate future developments, data needs, and technology to meet the far-reaching changes in U.S. agriculture in the next two decades. ■

UAB RECOMMENDS PRIORITIES FOR ERS

In a recent report to the President and Congress, the National Agricultural Research and Extension Users Advisory Board (UAB) appraised the Administration's proposed 1986 Federal budget for food and agricultural sciences.

The report identifies national priorities for the budgets of USDA's agricultural research and extension agencies, including ERS. Priorities identified for ERS are as follows:

- Allocate more research funds to economic and market analyses.
- Allocate more research funds for work on U.S. agricultural exports and less on domestic projects.
- Assess the current and potential competitive advantage of U.S. farm commodities in world markets by world region.
- Increase priority given to research to determine and reduce or eliminate the impediments to U.S. agricultural trade expansion.
- Analyze the consequences of U.S. and world agriculture moving to a full free-trade and market-oriented system in all agricultural commodities.
- Shift research on domestic economic analysis to analyzing the financial crisis in American agriculture.
- Determine the comparative advantages of farm production among

crop reporting regions and producers in an environment of free-trade or market-oriented farm programs.

- Expand domestic farm program analysis to evaluate the full consequences of each alternative proposal on the financial situation in agriculture.
- Determine the economic consequences of farming marginal land, engaging in other soil erosion practices, and letting declines in water quality continue.
- In addition, the UAB admonished ERS to do research and analyses that create an understanding of farm economy and to explain it in understandable language.

To obtain a free copy of the report, **Appraisal of the Proposed Budget for Food and Agricultural Sciences**, call the UAB on 202-447-3684. ■

TECHNOLOGY GROUP ESTABLISHED

A new Technology Group has been established in the Office of the Director of ERS's Natural Resource Economics Division (NRED) to:

- Work with the Agricultural Research Service, Cooperative State Research Service, and other research agencies concerned with technology;
- Track emerging agricultural technologies; and
- Coordinate staff assessments of new technologies through an ERS Technology Committee established by ERS Administrator, John Lee.

NRED Assistant Director Gary Taylor will lead the Group. ■

EXTERNALITIES GROUP ESTABLISHED

A group to study natural resource-related externalities generated by commercial agriculture was recently organized in the Office of the Director of ERS's Natural Resource Economics Division (NRED). It will work to find innovative ways of assessing, in an economic framework, the various externalities or nonmarket effects of agriculture on the rest of U.S. society.

Two initial projects have been initiated. One will assess the offsite impacts of soil erosion and develop a framework for linking changes in erosion to changes in the offsite damages from erosion that occur at the national and regional levels. An economic framework will be used to value effects on water quality, wildlife, recreation and other offsite factors.

The second project will analyze agriculture's effects on groundwater by assessing the extent of the problem, the economic impacts, and the effectiveness and economic implications of management practices.

ERS economists involved are Group Leader Linda Lee, Edwin Young, Marc Ribaudo, Linda Langner, Bradley Crowder, and Elizabeth Nielsen. ■

Current Research

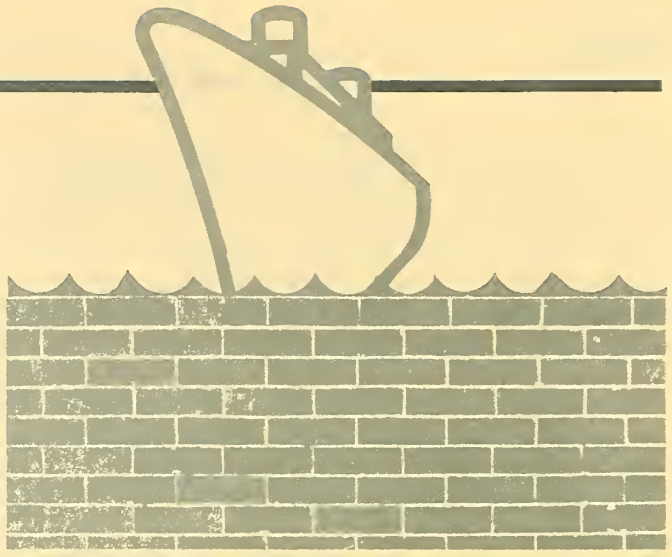
ERS ANALYSES OF FARM FINANCIAL STRESS

ERS continues to play a major role in Department and governmentwide efforts to assess farm financial stress and evaluate alternative policy responses (**ERS**, Vol. 3, Nos. 2 and 4). Contributions over the last 3 months include three major studies and a number of shorter staff analysis papers.

Topics of the two main reports were changes in land values and farm financial conditions.

Agricultural Land Values and Markets (CD-90) drew on survey work and analysis done by ERS economists Bill Heneberry and Charles Barnard to gauge the severity of pressure on farm asset values over the last 12-18 months. The study estimates that land values and farm real estate values were 12 percent lower nationally on February 1, 1985, than a year earlier, and that values fell as much as a third in severely affected regions such as the Corn Belt, the Lake States, and the Plains.

Financial Characteristics of U.S. Farms (AIB-495) is based on the farm costs and returns survey data. The analysis of ERS economists James Johnson, Kenneth Baum, and Richard Prescott provides a broad picture of the sector's financial health as reflected in sectorwide debt/asset ratios and cashflow measures as well as measures by region, farm type, and farm size. The study indicated that 20 percent of farmers experienced debt-asset ratios above the 40 percent level which generally indicates financial stress. The study further indicated that 12 percent experienced both negative cash flows and debt/asset ratios above 40 percent and faced serious enough pressure to jeopardize their continued operation.■



TRADE LIBERALIZATION STUDY

The broad objective of ERS's new trade liberalization study is to analyze the effects on the world market of domestic and trade policy changes in the grain, oilseed, and livestock sectors of key U.S. trading partners and competitors. The study will focus on two issues of major concerns:

- Definition, identification, and analysis of trade barriers and export subsidies by U.S. competitors; and
- Opportunities for market penetration through the reduction of import barriers by U.S. trade partners.

The principal tool for the empirical analysis of trade and domestic policy changes will be ERS's grain-oilseed-livestock (GOL) model.

The study participants have documented the trade and domestic policies of various countries and begun to assess the availability of data on trade barriers and subsidies. They are now analyzing the results of a preliminary policy questionnaire (completed in July) in order to identify the key countries, commodities, and policies that will be the focus of the study.

Preliminary findings of the study will be presented at the meeting of the Trade Research Consortium in Vancouver, British Columbia, in December 1985. ERS economist Cathy Jabara is leading the study team.■

NEW ERS COOPERATIVE RESEARCH PROJECT ESTABLISHED IN FLORIDA

ERS economist James Zellner, formerly Chief of the Food and Agricultural Policy Branch in ERS's National Economics Division, will be conducting a 3-year cooperative study at the University of Florida to determine how public intervention affects the performance of agricultural and food markets. The first phase of the study will examine whether USDA's system of grades, standards, and standards of identity has been flexible enough for the changing institutional environment or whether those mechanisms (that were designed to enhance efficiency) have inhibited the efficient functioning of markets.

Zellner will work with John Reynolds, Emerson Babb, and other faculty of the University of Florida's Department of Food and Resource Economics to develop theoretical economic criteria for assessing market performance in the food industry. They will then relate those criteria to the effects of interventions (such as standards of identity, grades, and safety standards) on market efficiency, price formation, consumer information and choices, and other indicators of industry performance. The project will also involve analyzing alternative intervention schemes or changes in existing schemes and their capacity to improve the performance of the post-harvest food marketing system. ■

COSTS OF SOIL EROSION CONTROL IN THE UNITED STATES

ERS economist George Pavelis recently reviewed the costs of USDA conservation programs using budget data from eight USDA agencies (including ERS). That information was supplemented by various secondary material and by the 1983 ERS Farm Expenditures Survey. Here are some of the major findings of the review:

- In 1984, public and private expenditures on all agricultural conservation activities together totaled $2.4 billion, slightly less than in 1983 in real terms. States, counties, and other local agencies, however, have been steadily increasing their conservation budgets.
- USDA appropriations for conservation have decreased. Between 1983 and 1984, the total USDA conservation budget declined 13 percent in real terms.
- Over $1 billion of the $2.4 billion total conservation effort was specifically for soil erosion control. Nearly half of that amount was contributed by farm owners and operators, 9 percent by non-Federal public sources, and 42 percent by USDA.
- Of the $1 billion allocated to soil erosion control, $840 million was spent for onfarm soil conservation activities, $49 million on watershed projects, $43 million on research and development programs, and $74 million on data collection and analysis.
- Spending for onfarm activities included $670 million for installing new conservation practices and improvements, $146 million for technical design or extension-type assistance, and $24 million for normal maintenance and repair of existing soil conservation improvements. ■

FOREIGN INVESTMENT IN U.S. FOOD INDUSTRIES

In a forthcoming report, **Increased Foreign Investment in U.S. Food Industries** (AER-540), ERS economist James MacDonald and former ERS economist Scott Weimer trace the growth in foreign investment in U.S. food industries between 1976 and 1982. They use data from the Bureau of the Census to show that employment in foreign-owned firms grew 60 percent in food manufacturing during the period, 300 percent in food wholesaling and retailing, and 600 percent in the food service industry.

MacDonald and Weimer used a highly detailed set of data to look more closely at foreign investment patterns in food manufacturing. The data set contains information on each of 23,000 food manufacturing plants. The economists found that foreign investment increased most between 1978 and 1981, when a relatively cheap U.S. dollar reduced the price of U.S. assets in relation to foreign assets.

With the appreciation of the dollar since 1981, the pace of foreign investment has slackened. The United Kingdom was the leading host country for foreign investment, accounting for more than half, with Canada accounting for another 14 percent.

The authors suggest that cultural ties, especially in language, account for the unusually high U.K. share of investment, especially since the bulk of foreign investment is concentrated in differentiated consumer product industries where advertising and product promotion are important.

The data also revealed a large expansion in Japanese investment, largely in the west coast fish processing industry. That increase may be a response to the provisions of the U.S. Fishery Conservation and Management Act of 1976, which effectively restricted the foreign catch in U.S. coastal waters. Japanese-owned firms now buy, process, and then export (or sell to a growing U.S. market) the catch of U.S. boats operating in coastal waters. ■

QUARTERLY FORECASTING MODEL DEVELOPED

ERS economists Paul Westcott and David Hull have developed a quarterly forecasting model of the U.S. agriculture sector to aid in situation and outlook analyses and related activities. The model will serve as an analytical tool in commodity analysis. The model parallels the ERS situation and outlook forecasting process in that it has explicit linkages between the crop and livestock sectors, uses macroeconomic variables as exogenous inputs, and produces outputs needed to generate aggregate agricultural sector indicators.

Commodity analysts can use the quarterly model in developing short-term outlook for the agricultural sector. It will also be useful in shortrun impact analyses where alternative scenarios are simulated.

Westcott and Hull have completed subsector models for six commodities--corn, wheat, soybeans, cattle, hogs, and poultry. The model and the six subsector models are described in **A Quarterly Forecasting Model for U.S. Agriculture: Subsector Models for Corn, Wheat, Soybeans, Cattle, Hogs, and Poultry** (TB-1700). ■

Staff Notes

Photo by Carolyn Riley

ERICKSEN NAMED CHIEF OF FAP

Milton Ericksen is the new Chief of the Food and Agricultural Policy Branch of ERS's National Economics Division. He has B.S. and M.S. degrees from the University of Nebraska and a Ph.D. from Kansas State University.

Ericksen has been with ERS since 1966 with responsibilities centering on agricultural policy and economics of the crops sector. His assignments have included 5 years at the Manhattan, Kansas field station and 2 years at Stillwater, Oklahoma. Ericksen spent a month in the People's Republic of China with an economics and statistics team.

Ericksen served as Program Leader of the Agricultural Policy Analysis Program Area and Chief of NED's Crops Branch. He just returned from a year with the Bureau of Agricultural Economics in Canberra, Australia.

Ericksen received the Administrator's Special Merit Award twice--in 1980 and 1983. ■

Photo by Carolyn Riley

ZAHN IS NEW SECTION LEADER

Frank Zahn is the new Leader of the Macroeconomics Section, Aggregate Analysis and Macroeconomics Branch in ERS's Agriculture and Rural Economics Division. He has a Ph.D. from the University of California at Santa Barbara and 15 years of teaching and research experience, most recently as a professor at the University of Nebraska in Omaha. He has written books on macroeconomics and monetary theory and financial markets, published extensively in journals, and spoken to a wide variety of audiences on economic issues. ■

Photo by Carolyn Riley

BAE'S PERKINS TO SPEND A YEAR IN ERS

Peter Perkins arrived from Australia in July to replace Max Lawrence as Australia's Bureau of Agricultural Economics (BAE) exchange officer with ERS. Perkins is the BAE's Officer-in-Charge of the Grain Marketing and Outlook Section in Canberra. He will work with the Economic and Trade Policy Branch and International Aggregate Analysis Branch of ERS's International Economics Division during his yearlong stay in Washington.

Perkins has an M.S. in economics from Australia's University of New England. There he was a graduate tutor in economics from 1972 to 1974 and moved to Canada in 1974 to be a marketing economist with Alberta Agriculture in Edmonton. From 1976 to 1979, Perkins was a grain marketing specialist with United Grain Growers and from 1979 to 1982, he operated a private grain marketing and consultancy business in Winnipeg. Between 1974 and 1982, he prepared numerous grain and oilseed marketing and outlook papers and delivered addresses to a wide variety of industry and professional conferences in Canada and the United States.

In 1982, Perkins returned to Australia, joining the BAE's Crop Marketing Branch. He has specialized in wheat marketing research, especially policy and trade issues. His major objective during the exchange with ERS is to assist with ERS's project on the competitiveness of U.S. agriculture, and in particular to examine exchange rate effects on market responses of the principal grain exporters. ■

Photo by Carolyn Riley

STULTS TO SPEND A YEAR IN BAE

In the latest phase of the continuing exchange program between ERS and Australia's Bureau of Agricultural Economics (BAE), economist Harold Stults has been selected to represent ERS in Canberra.

A native of Colorado, Stults has a B.A. in agricultural economics from Colorado State University and M.S. and Ph.D. degrees from the University of Arizona. During his 18-year career with ERS, he has served as Deputy Director of ERS's Natural Resource Economics Division and as Western Field Office Leader in the river basins program; he also spent 2 years in Saudi Arabia.

While in Australia, Stults hopes to be involved in a project examining the competitiveness of U.S. and Australian agriculture under more market-oriented conditions and Australian agricultural water management efforts to control salinity problems. ■

CROM RETIRES

Richard Crom retired on August 2, 1985, after 35 years of Federal service. Crom started his career in the Nebraska Extension Service and received his M.S. degree from the University of Nebraska. He then joined ERS with the Western Livestock Marketing Project in Denver. Later, Crom transferred to Iowa State University to complete his Ph.D. degree and then moved to Washington where he spent 21 years with ERS in various roles in livestock research, culminating as Chief of the Animal Products Branch in ERS's National Economics Division.

Crom has moved to Cary (near Raleigh), North Carolina, and plans to do some teaching and research at local institutions in his spare time. ■

ADMINISTRATOR, continued from page 3.

expense of some work on energy, rural housing, food processing and retailing, poultry research, and river basin research, as examples.

To achieve efficiencies, we saved over $2 million via a successful user fee program for publications. We automated word processing and routine data processing to handle more work with fewer clerical staff. With over 100 fewer support staff than in the mid-1970's, we have been able to minimize the reduction in research staff. We have saved 15 staff-years since 1982 by continuing efficiency improvements in administrative staff in EMS.

Over the next year or two, we will modestly further trim work in rural development, soil conservation, agricultural history, and foreign market profile studies--all important areas--to get a small critical mass on U.S. competitiveness in world markets and trade liberalization, and modestly add to our work in macroeconomics, financial stress, and assessment of the potentially large technological and structural changes looming on the horizon.

I believe these adjustments equalize the pressure across our program front, when consideration is given to both near-term needs and to being prepared for issues likely to be important 1, 3, and 5 years from now.

The table that follows measures the changes in ERS output since 1981.

ECONOMIC RESEARCH SERVICE

OUTPUTS

	1981	1982	1983	1984
Staff analyses	1,527	1,415	2,095	2,954
Monographs and periodicals	591	435	265	386
Articles and papers	1,043	941	730	795
Responses to public inquiries	36,305	44,224	60,708	65,332

Whatever the error terms in the data, it is clear that surges in staff and service work have cut into our traditional research output. We have made major efforts to reverse the decline in research while maintaining our commitment to good staff and policy analysis. The results for 1984 were encouraging and 1985 promises to be even better. The quality of our product has also shown recent improvements.

I am more enthusiastic than ever about our future and what we can and must accomplish. Our staff is top quality. All that is needed is for agency management to provide the work culture and support to permit the staff to achieve its potential.

John Lee ■

AAEA, continued from page 1.

Discussants:
John Lee and John Miranowski.

AAEA's quality of communication award was shared by an ERS nominee, **The Food Manufacturing Industries, Structure, Strategies, Performance, and Policies**, by John Connor, Richard Rogers, Bruce Marion, and Willard Mueller. Connor, Rogers, and Marion were ERS employees when the research and most of the writing were done for the book.

Papers:

Agricultural Reform and the Soviet Feed/Livestock Economy: World Trade Issues, Edward Cook.

An Analysis of Demand for Revenue Insurance, David Trechter and Lindon Robison (Michigan State University).

An Analysis of Soil Erosion in Year 1990 Under Three Commodity Program Options, Wen-yuan Huang and Neill Schaller.

Antibiotics in Animal Feed: Risks and Costs, Clark Burbee and Masao Matsumoto.

The Availability and Use of Fringe Benefits to Farm Operator Families from Off-Farm Employment, Helen Jensen (University of Maryland) and Pricsilla Salant.

The Biotech Era and Agricultural Policy, Clark Burbee.

Characteristics of Desirable Candidates as Viewed by Two Selecting Officials, Robert Bohall and Katherine Reichelderfer.

Consideration of Offsite Impacts in Targeting Soil Conservation Programs, Marc Ribaudo.

The Costs of Tax Management in Agriculture, Gregory Hanson, Henry Kinnucan (Auburn University), and Daniel Otto (Iowa State University).

Cropland Lease Arrangements and Soil Erosion in the U.S., Nelson Bills.

Direct Payments and Acreage Reduction: An Estimate of Program Induced Export Subsidies and Taxes, James Zellner.

Discontinuous Utility in Agricultural Risk Modeling, Michael Weiss.

Eliminating Commodity Programs: Farm Financial Effects and Agricultural Structure Adjustments, James Ryan, Kenneth Baum, James Johnson, and David Harrington.

Employment Trends of Women and Minorities in ERS During the Recent Past, Joyce Allen.

Endogenous Policy Formation: An Econometric and Simulation Analysis of the U.S. Coarse Grains Sector in an Open Economy, Praveen Dixit and Marshall A. Martin (Purdue University).

An Evaluation of the Effects of Reducing Beef Import Restrictions in Japan, Karen Liu.

Factors Affecting the Educational Attainment of Black Agricultural Economists, Joyce Allen.

Farm Income and the Magnitude of Income from Commodity and Non-Commodity Sources, Mary Ahearn, James Johnson, and Roger Strickland.

[Continued on page 12.]

*U.S. GOVERNMENT PRINTING OFFICE: 1985-460-938:20050-ERS

AAEA, continued from page 11.

A Functional Market Analysis for the Effect of Waterway Tax on Grains. Theresa Sun and Lester Myers.

Implications of the Alignment of EC Grain Prices with World Prices on Trade, Douglas Maxwell and Stephen Schmidt (University of Illinois).

Incidence, Intensity and Duration of Financial Stress Among Farm Firms, Robert Jolly (Iowa State University), Arnold Paulsen (Iowa State University), James Johnson, Kenneth Baum, and Richard Prescott.

Inventory and Hedging Decision-Making under a Multi-Period Planning Horizon and Price Uncertainty, Joseph Glauber and Nicholas Powers.

Issues in the Measurement of Depreciation of Farm Capital, Cole Gustafson (University of Illinois).

Issues in Measurement of the Farm Debt and the Resulting Interest Charges, Anthony Joseph and Gregory Hanson.

Issues in the Measurement of the Imputed Gross Rental Value of Farm Dwellings, Mary Ahearn.

Microbiological Pathogens in Meat and Poultry and the Potential for Irradiation as a Control Technique, Tanya Roberts.

Nutrient Management on Dairy Farms in Southeastern Pennsylvania, Edwin Young, Bradley Crowder, James Shortle (Pennsylvania State University), and Jeffrey Alwang (Pennsylvania State University).

Offsite Benefits from Soil Conservation Programs, Marc Ribaudo.

The Response of U.S. and Competitor Coarse Grain Exports to Changing Global Economic Conditions, Alan Webb and Chong Kim.

Short-Run Effects of the Farmer-Owned Reserve Program on Grain Price Enhancement and Stabilization, William Lin, Joseph Glauber, and Linwood Hoffman.

Some Effects of Farm Size on the NonFarm Economy, Mark Henry (Clemson University), Agapi Somwaru, Gerald Schluter, and William Edmondson.

Supply Management Incorporated in Research Evaluation, Anthony Joseph and Fred White (University of Georgia).

Theoretical and Empirical Application of the Exchange Rate Variable in Annual Econometric Agricultural Trade Models, Mark Denbaly.

Trade-Offs in Meeting Farm Program Objectives, Clayton Ogg.

The World Grain-Oilseed-Livestock, (GOL) Model as a Tool for Long-Term Projections, Karen Liu and Vernon Roningen. ■

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